

INSPECTOR GENERAL'S SURVEY
OF THE
OFFICE OF COMMUNICATIONS

• SEP 1977

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Preface

This report presents the Inspector General's findings from an inspection of the Office of Communications. Four inspectors devoted March through June 1977 to it.

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All [redacted] installations, area headquarters, and bases of the Office of Communications were inspected, as were a sample of [redacted] of its field stations. The inspectors surveyed facilities, examined files, and by visiting homes and talking to spouses gained an appreciation of housing and living conditions. Some [redacted] employees of the Office of Communications were interviewed. [redacted]
[redacted]
additional interviews were with chiefs of station or base. [redacted]

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I. Summary

If there is one subject on which all those in the mainstream of the Office of Communications (OC) are in full accord, it is that they are members of the world's best communications organization. They are proud and we believe rightly so.

Yet there are issues that are troublesome now and bid to be more troublesome in the future. Personnel-dominated issues (Section III) are primary among them. For almost all groups in OC the specific issues tend to be symptomatic of a widespread need for recognition. Despite some efforts to meet this need, management generally has been unsuccessful in dealing with it. The first five of our ten recommendations, all of which follow at the end of this Summary, deal with this need. Recommendation 6 addresses Cable Secretariat's need for increased staffing.

OC's effectiveness today is at a very high level, but future performance will depend on what is done to resolve the personnel-related problems and on the decisions made with regard to: (1) whether or not a high-frequency (HF) backup system should be retained as satellite systems improve; (2) whether or not the present [redacted]

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[redacted] continues to be accepted as the principal solution for [redacted] for the rest of this century; and (3) whether or not the ever-increasing volume of traffic is justified (Section IV). In our discussion, we note the importance of an HF backup system and the problems that

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would confront the Agency if it no longer provided the communications services; we express our doubt about the ever-increasing volume of traffic. Recommendation 7 calls for comprehensive long-range planning to prepare for the uncertainty of the future, while Recommendation 8 calls for the Director of Communications (DC) and the Deputy Director for Operations (DDO) to encourage elimination of unnecessary and wasteful use of the communications system.

We found no problems with regard to compliance with U.S. law and standards of propriety. We also found that there is no violation of the privacy of the communications of any person or governmental organization in the Agency's handling of their communications (Section V).

The examination of communications security (COMSEC) led to the last two recommendations--9 and 10 (Section VI). We believe that the adequacy of the Agency's COMSEC program cannot be determined with certainty until the significance of the COMSEC threat is known. We recommend accordingly: first that there be an effort to define the COMSEC threat and then that steps be taken to ensure a program consistent with it. As an adjunct of security, we note the inadequacies of cover arrangements (Section VII). We can only suggest renewed efforts [redacted] The report concludes with comments on OC's management philosophy and the possible benefits that might come with more decentralization (Section VIII).

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Our specific recommendations are:

Recommendation 1: that the Director of Communications provide more opportunity and equity by (a) promoting those who perform well in positions of higher grade and (b) by creating, in concert with the Director of Personnel, the positions of master journeyman (GS-10) he requested of the Office of Personnel in January 1977.

Recommendation 2: that the Director of Communications, consistent with the recent growth in his use of Quality Step Increases, (a) seek comparable use of achievement awards to reward those who may not be eligible for promotion but are otherwise deserving because of sustained high-level performance or unusual deed, and (b) that he do so with the ceremony and publicity (within the Agency) to make Quality Step Increases and achievement awards meaningful forms of recognition.

Recommendation 3: that the Director of Communications ensure that the secret ballot is used at all stages of the competitive evaluation process.

Recommendation 4: that the Director of Communications create an effective method for providing employees with timely information on available or forthcoming vacancies so that employees can express meaningful preferences, either through the quarterly Expected Personnel Vacancy List introduced in December 1976, or through other means.

Recommendation 5: that the Director of Communications (a) make his recently reintroduced newsletter a publication about

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people as well as technology and production and that, among other things, it be used to announce promotions, Quality Step Increases, awards, commendations, and other actions that recognize individual performance; and (b) that he publish it every two months.

Recommendation 6: that the Director of Communications undertake with the Office of Personnel's assistance a staffing study of Cable Secretariat.

Recommendation 7: that the Director of Communications ensure that the planning nucleus he established in January 1977 (a) brings together the disparate, and now largely technical, planning elements of OC and (b) performs long-range planning that will be comprehensive, and will look ahead to the kind of organization the Office should have in the future and to the steps necessary to achieve that organization.

Recommendation 8: that the Director of Communications and the Deputy Director for Operations jointly remind users that communications are not free and, therefore, are to be used (a) only when necessary and in as brief a form as possible; (b) with appropriate, not overstated, precedence; and (c) during normal working hours, except for good cause.

Recommendation 9: that the Director of Communications, in consultation with the Deputy Director for Intelligence, the Deputy Director for Operations, and the Deputy Director for Science & Technology (a) define the communications security (COMSEC) threat and establish its significance to the intelligence effort; and

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(b) then develop procedures to take COMSEC considerations into early account in the planning, development, and procurement of Agency equipment and, as necessary to ensure that this is done, propose modifications in regulations.

Recommendation 10: that the Director of Communications develop a plan and program of communications security education to reach the general population of the Agency, both those entering on duty and those on board, and that this program be implemented through the Director of Training.

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II. Introduction

The Office of Communications (OC) is different from other components of the Agency. [redacted]

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Its job is more easily defined and understood, and perhaps for this reason it is easier to measure performance--traffic either is or is not getting to its destination in the allotted time and is being transmitted either with or without errors.

OC is different, too, because so many of its people serve overseas at the GS-08 and 09 levels. Its average grade is 09.9, below the average for the rest of the Agency--even though, again unlike other components, there are few clerical positions to keep the average down.

Moreover, we know of no other component that routinely expects its GS-09's, 10's, and 11's to accept so much responsibility, or any in which it is so routinely accepted. A GS-09 and a GS-10 or 11 in a typical two-man station may be responsible for the operation and maintenance of one-half million dollars worth of equipment; responsible for being on-call 24 hours a day; responsible for getting the traffic to its destination regardless of the volume or the time it might take; responsible for the security of the facility, of transmissions, and of cryptographic materials; and responsible for good relationships with [redacted] chiefs of station (COS), whom they serve and from whom they receive administrative support.

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We found them to be an impressive group of people. They take pride in their work and typically rise to the occasion. There is no doubt among them as to their superiority as professional communicators. They know they can do whatever is required more quickly and more reliably than others. It is hard to question their confidence when it is clear that other U.S. governmental organizations look to them when the chips are down.

The Office's management is entitled to take a bow for its part in these accomplishments. It has run a taut ship that does its job and above all does it well. Good equipment, good training, and good personnel have been blended into a highly efficient organization.

Nevertheless there are problems that have plagued OC for some years. Although the problems are old, they have become more troublesome because of the malaise affecting the Agency and because of changes in the environment. Nowadays, "new hires" have more schooling than was once the case and have correspondingly higher expectations (the military services, now made up entirely of volunteers, are no longer a dependable source of new hires); perquisites are fewer; life abroad is less pleasant because of increased hostility toward Americans; and, because an American life-style has become more costly overseas, there has been erosion of financial advantages. At the same time, some of the older employees, who have served abroad without a home tour for 10, 15, and more years, are anxious to return home--usually because their children are reaching high school and college age.

The relatively small number of [redacted] particularly for communicators, makes it difficult for management to accommodate these desires. When accommodated the employee faces the financial burden of life in the Washington, D.C. area without the free housing and allowances he has become used to overseas. For all of these reasons the employees, new and not new, have become less accepting of their lot.

Although less accepting than they once were, many of them are reluctant to ask management questions about their careers and well being. We found this behavior somewhat surprising because in their work they are confident and self-reliant. Such behavior may be explained by the military backgrounds of so many of the employees and by the military traditions of OC, which for so long (1951-1965) was run by its creator, [redacted] But we believe it is also attributable to uncertainty and even fear about how management will react to being questioned. For probably the same reasons, some employees seemed hesitant to speak with us. Others, however, were enthusiastic about the opportunity this inspection gave them to voice their opinions.

Our inspection of OC at the outset promised to be easier than most. Its task was easily defined, its reputation good, and its people proud. Little of consequence could be wrong. The few persistent problems were accepted as insoluble and reflected on no one.

Now we have completed the inspection and have another view. The

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promised simplicity never materialized. Instead, in true-to-life fashion the attributes had blemishes and the faults their reasons.

The Office is a complex organization and not easily described. We find ourselves likening it to a fine old tapestry: from a distance its superb qualities dominate, but as one draws near a number of snags and tears in the fabric begin to be visible. None of these is foreboding in its own right, but taken together they make one wonder if that fine old tapestry is up to the wear and tear of the future.

We have confidence that it is, but that some repair and preventive maintenance are necessary. To these ends we address the comments and recommendations of this report.

III. Personnel-Dominated Issues

We believe that personnel-dominated issues tend to permeate OC and are the most pressing that its management faces. In what follows in this section certain recurrent themes will be noted--whether we are discussing the problems of the communicator/crypto-grapher, of the Cable Secretariat, or of others. Briefly, these people feel too much ignored, overlooked, unappreciated--unrecognized. Although we focus our attention on these feelings and attitudes and the possible consequences of them, we wish to note that it would help if the small and common courtesies were practiced more consistently--particularly with regard to responding to employee's concerns and keeping them informed.

A. Promotion and Assignment for Communicators

The communicators, and their supporters in and out of OC, wonder what has to be done to earn promotion, for themselves or for colleagues they consider superior. They accept that headroom is a problem, but wonder why early retirement is not used to create some; they also wonder why Quality Step Increases (QSI's) are so rarely used, given the lack of headroom. They accept OC's system of competitive evaluation, if only because they cannot think of a better method, but wonder why promotion does not come even to those who have been, presumably on a competitive basis, assigned to higher-graded positions and have performed well in them. They accept that their journeyman

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wonder why the communicator who can maintain his equipment without the help of technicians is not paid their wages and when he advances cannot similarly "skip" grade 10.** They accept the need to be assignable, but wonder why assignments are arbitrary (to them) and not made in time to provide overlap with those whom they replace and in time to facilitate housing arrangements. And they accept the notion that their wages are reasonable in terms of the market place, but wonder why there is no recognition of the versatility they must display and of the conditions under which they must perform, i.e., so much more is expected of them that the norms of the market place are not valid for comparison.

These, one way or another, are the personnel issues that command everyone's attention. And they should; something needs to be done about them. But important as these issues are, we believe they are only symptomatic of a widely felt and often expressed need for recognition. A large number of OC's journeymen employees are chafing at never having received any sign that someone appreciates their professional competence and their contribution to the overall Agency effort. Perhaps they should know without being told, but for most there is limited opportunity for competitive promotion--the traditional sign. Also, because of the work, and therefore the work force, there is more of a gulf between manager and employee, more of a labor versus management attitude than in most elements of the Agency. The

*A technician in OC is one who maintains, repairs, and installs equipment; it is also a specific job category.

**Technicians literally are promoted from GS-09 to GS-10, but typically remain at the GS-10 level for only six months.

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people feel taken for granted and in many cases are certain that management treats them as interchangeable parts that will function, like any other good piece of equipment, wherever placed.

In seeking solutions to these and other personnel-related problems, OC's senior management has been trying to change to a management style that is more responsive to people and their needs. By and large we do not believe it has succeeded. Most of the senior managers seem to be dedicated to such change, but it has not permeated to enough middle- and lower-level managers. No doubt this situation was exacerbated when, unexpectedly, senior management's ranks were decimated by early retirements in 1975. In filling these vacancies the more experienced middle-level managers were drawn upon, thereby passing the impact on to the middle and lower levels of management. The situation was not helped when so many of the vacant positions were filled by engineers who were of the appropriate grade, but lacked adequate field and managerial experience.*

1. Promotion

Surprisingly, a significant number of complaints about the lack of opportunity for telecommunicators (and cryptographers) to be promoted do not blame OC's present management for the situation. Many of them, particularly the GS-09's, are unhappy and believe they were misled when new employees. Even so, they complain less about money or about the journeyman level being GS-09 than about never receiving any recognition or reward

* A number of engineers in management positions testified to these shortcomings.

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for good, sustained performance. More than anything else, recognition is competitive promotion--ergo, they would like to see more GS-10 positions.

Some of the older hands have become cynical, expressing the view that management knows they are "locked in" and will stay whether or not promoted. Younger employees, aware of the situation and less accepting of it, are more inclined to seek other opportunities if advancement is not forthcoming within two or three tours. And to the extent that management promotes the young, for whatever reasons, it provides nourishment for the cynics.

a. Grade Structure

Promotion and grade structure are inextricably tied together: management must have slots to which it can promote, if it is to promote. OC's management has sought and continues to seek upgrading of some positions.

Currently it expects that automated field equipment, which is about to be introduced, will provide convincing justification because of its technical requirements. OC, however, cannot make such changes unilaterally; agreement must be sought from the Position Management and Compensation Division (PMCD) of the Office of Personnel (which has criteria that must be met) and must fit within the average grade imposed upon the Agency by the Office of

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Management and Budget.

The problem with OC's grade structure for communicators is that there are [] GS-09, or journeyman, positions and only [] GS-10 positions. There are actually more GS-11 positions, some []. Consequently, there is a narrow and unusual waist to the grade pyramid. With [] positions at the GS-10 and GS-11 levels, it is clear that through the years a large number of GS-09's have been promoted. But in more recent years, as the organization has stabilized and attrition rates have been low, there have been few vacancies and equally few promotions.

We have also observed a different kind of promotion problem: OC's senior managers are frequently one grade below their slots. Enough of them noted or complained of the situation, and we cannot help but wonder about it--in part because the practice is widespread and in part because the practice parallels what often happens to communicators. Although many of these managers are in their current positions because of the large number of retirements in 1975, hence have not been in them for uncommonly long, we believe it only fair that those who serve successfully be promoted to the grades of their positions.

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b. Competitive Evaluation

OC's competitive evaluation system is used for promotions and assignments, particularly the former. There are complaints about it, but overall a perhaps grudging acceptance because people cannot suggest a better method. We did note, not surprisingly, that enthusiasm for the system correlates with one's success under the system. Several complaints surfaced with frequency: first, that the system is no better than the people who participate--individuals, particularly senior ones, can dominate panels, "buddies" are still favored, old deeds or misdeeds cannot be outlived, and the like; second, that assignment to a new geographical area invariably means, as the "new boy," being relegated to the lower reaches of the competitive lists; third, that information not in their personnel files is used in the process; and last, that information on training and assignments that should be in their files often is not, particularly in the field. In recognition of the validity of the complaint about the effect of assignment to a new area, management has begun to send the most recent one or two fitness reports and the standings from the most recent competitive evaluation to area headquarters to provide history on individuals and to foster more

uniform and consistent evaluations.

We consider this step desirable, but not enough. We believe that the secret ballot should be used for the preliminary and consolidated evaluation lists, a practice not now universally followed. Also, we question the use of material that is not part of some record or subject to verification. We view it as a matter of fairness to the employee.

2. Assignments

The more or less biennial assignments become a sore point more because of shortcomings in the way they are administered than because of failure to receive desired assignments. Complaints focus on assignments being late and changed without explanation. Late assignments frequently mean no overlap with predecessors (which is bothersome to field managers), unnecessarily long waits for housing, and sometimes long-time separation from household effects. Late assignments are also just one more way in which our people are distinguished [redacted] There is some feeling, too, that there should be an opportunity to volunteer for positions. The employees accept that the "green sheet" gives them the opportunity to express preferences, but believe it is done in a vacuum because they have no knowledge of the jobs to be filled.

Although there is recognition of the limitations placed on

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management--all employees are not suitable for all locations and jobs and vice versa--there is still concern and question about how the assignment process really works. To many it is hit or miss, and there is little appreciation of how many assignments can be affected when just one falls through. And as is usually the case, management's recognition of personal circumstances always seems to get less publicity than its real or fancied failure to do so.

3. Recommendations

Before making our recommendation on these issues, we wish to note that OC's management has not been unaware of or indifferent to these matters. It has decided or made efforts, for example: to try to the extent practicable to fill positions with volunteers; to try to obtain more GS-10 positions; to increase its use of the QSI; to study the implications of creating the position of master journeyman; to authorize language training for employees and their spouses; and to consider a promotion list of some minimum number, all of whom would be promoted as vacancies occur and before anyone else became eligible.

But our concern is not with management's recognition of the problems, it is with the need to solve them. OC's management says many of the right things and undertakes to do many of the right things, but does not seem to put them together in a .

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way that is adequate for the need. The requirements of modern personnel management are more complex than they used to be, and for an organization such as OC the actual implementation of solutions is even more demanding.

Here we make five recommendations that deal with the personnel-related problems of the communicator (and cryptographer). They are presented as an integrated set whose primary focus is on increased recognition for the employee.

Recommendation 1: that the Director of Communications provide more opportunity and equity by (a) promoting those who perform well in positions of higher grade and (b) creating, in concert with the Director of Personnel, the positions of master journeyman (GS-10) he requested of the Office of Personnel in January 1977.

Recommendation 2: that the Director of Communications, consistent with the recent growth in his use of Quality Step Increases, (a) seek comparable use of achievement awards to reward those who may not be eligible for promotion but are otherwise deserving because of sustained high-level performance or unusual deed, and (b) that he do so with the ceremony and publicity (within the Agency) to make Quality Step Increases and achievement awards meaningful forms of recognition.

Recommendation 3: that the Director of Communications ensure that the secret ballot is used at all stages of the competitive evaluation process.

Recommendation 4: that the Director of Communications create an effective method for providing employees with timely information

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on available or forthcoming vacancies so that employees can express meaningful preferences, either through the quarterly Expected Personnel Vacancy List introduced in December 1976, or through other means.

Recommendation 5: that the Director of Communications (a) make his recently reintroduced newsletter a publication about people as well as technology and production and that, among other things, it be used to announce promotions, Quality Step Increases, awards, commendations, and other actions that recognize individual performance; and (b) that he publish it every two months.

B. Cable Secretariat

The preceding discussion focused on the promotion and assignment problems of communicators/cryptographers. It was not possible in that context to do justice to the situation in the Cable Secretariat, even though there are some ostensible similarities--the most obvious of which are relatively large numbers of people in low grades who have limited opportunities for promotion.

In Cable Secretariat the problem is worse because the wages are significantly lower and the work repetitious and monotonous. In January 1977 one-third of the work force was below the GS-06 level and more than one-half was below GS-08. Low pay, pressure to increase productivity and to reduce the error rate, and tedium have created a morale problem. Matters have not been helped by the EEO issues with which the Cable Secretariat has been beset, issues ranging from perceptions by minorities of job and promotion discrimination to alleged

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sex and age discrimination.

Nor have matters been helped by absorption into OC. There seem to be fond memories of former days as an independent office in the DCI area. They give three reasons. (1) Their role, which they believe is held in generally low esteem throughout the Agency, is ignored or held in even lower esteem by OC. (2) Opportunities for promotion beyond GS-12 have disappeared for them. Without a GS-13 slot in Cable Secretariat, the chief's and deputy chief's jobs, GS-15 and 14 respectively, will henceforth be filled by other OC'ers. (3) The two senior jobs may provide opportunity for others in OC, but Cable Secretariat employees have no opportunities to transfer or to qualify for transfer to other jobs in OC.

Some employees have labeled Cable Secretariat's management as "insensitive," "partial to chosen employees," "lacking candor and honesty in dealing with employees," and "not caring about the employees." But other employees label that same management as "attentive," "bending over backwards to help personnel," and "producing a close-knit and good team effort." These conflicting statements do not provide a basis for general conclusions reflecting, as they do, different perceptions and reactions to different supervisors. In typical fashion supervisors are chosen because of their ability to process the largest number of cables and not on their ability to manage people. Cable Secretariat's manning table indicates that it may have too many supervisory levels and, in general, too many employees of different grades doing the same work.

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Recognition, in the form of QSI's or other awards, is rare. Employees have little opportunity for internal or external training, and many stated that OC's management has left them with the impression that attempts from below to suggest better methods of processing the tremendous volume of cables would be unwelcome.

We believe management can take steps to overcome the complexes that its employees have developed from believing that "nobody gives a damn" for too many years. These steps, by Cable Secretariat's own management, would include the investment of time in staff meetings, in serious solicitation of employees' ideas for improvement, in counseling, and in training opportunities. At the same time, OC's senior management should start treating Cable Secretariat as an integral part of OC. We urge both these levels of management to be alert for opportunities to provide employees with recognition, from "pats on the back" to QSI's and achievement awards.

But more than anything else, we believe the major problem confronting Cable Secretariat is that it is understaffed; its people are always under pressure and always fighting backlogs. The automated Cable Dissemination System now being tested may in time relieve this problem but it will be a limited form of relief that may do no more than offset the great increase in volume. With more appropriate staffing some of the other problems would lessen and even tend to disappear.

Accordingly, we reiterate the applicability of Recommendation 2 to Cable Secretariat and make the following additional recommendation:

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Recommendation 6: that the Director of Communications undertake with the Office of Personnel's assistance a staffing study of Cable Secretariat.

C. Other Personnel Issues

A potpourri of other personnel issues was raised. Many of these were the concerns of individuals and not shared by others or many others. Several, however, recurred with frequency and were to be heard in all four corners:

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[redacted]

(2) per diem [redacted]

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(3) ability to retire under the voluntary/involuntary system; and

(4) career counseling.

Items (1) through (3) are invariably put forth as examples of OC'ers receiving different, and inferior, treatment from other Agency employees.

[redacted]

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2. Per Diem [redacted]

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OC personnel, when brought back [redacted] between tours for training [redacted] receive per diem of \$12. Many complain that the amount is inadequate, that it effectively precludes having their families with them for the duration of their training and until they are reassigned, perhaps several months.

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We believe that this is a classic case of misunderstanding compounded by inflation. OC could bring these people back for training PCS, in which case they would have to bear all their costs of living. Instead OC is bringing them back TDY and providing what it believes is adequate per diem for housing. Thus management believes it has been generous, while the recipients of the generosity feel cheated. It is possible that the \$12 is no longer adequate to provide family housing in the [redacted]—perhaps particularly so for those with large families. We suggest that its adequacy be reexamined. (OC, on its own authority, could pay up to \$35.)

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3. Voluntary/Involuntary Retirement

Objections to OC'ers not being allowed to retire under the voluntary/involuntary retirement plan were frequent. Some of the objectors clearly want to retire now for personal reasons, but others are concerned about not having a privilege that is available to most Agency employees. We do not know how many

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of OC's people would take advantage of retirement under a voluntary/involuntary plan if it were offered to them but, from age and grade distributions by years of service, we do not believe that any serious manning problems would result.

Recently it was deliberate practice, but not Office policy, to be understrength in communicators. This practice lasted for only several months. Nevertheless, it may have contributed to denying employees an option available to most others, and the responsible management may have been denying itself an opportunity to obtain headroom. OC now believes that it might be in surplus by the Spring of 1979, which will make this issue disappear.

4. Career Counseling

The comment heard most often from those with whom we talked about OC's Career Management Division was that it did not have professional counselors. Although those on the staff are considered to be well-intentioned, the absence of professionalism is an irritant to all grade levels and in all panels. "He's just a tech like me and besides we might serve together on the next tour."

But the comments were not, by any means, all negative. Many appreciated at least aspects of the counseling effort, particularly being told in detail about their competitive standings. They made sharp distinction between the officer from area headquarters who bothers to learn something about those he will be counseling and the one who does not.

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Overall, we believe OC needs to make sure that all who are engaged in counseling have the same understanding of its purpose and of how it is to be practiced.

In fact, career counseling and even career management are misleading terms, raising expectations in some that will not and cannot be fulfilled. An unambiguous statement of what the employee can expect and can contribute to the process should help.

If our experience on this inspection is any indication, more sitting and listening, and knowledge of the communicator being counseled, would enhance the effort. Doing so could surface incipient problems and would do much to overcome the widespread belief that nobody cares.

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IV. Operational Effectiveness

To most of us in the Agency OC is staff communications. We have come to take for granted that all-source messages can be reliably transmitted to or received from virtually any part of the world as promptly as the indicated precedence calls for. To a much smaller, but still substantial, body of OC employees and users it also has represented covert communications.

A. Staff Communications

The Agency's entry into communications in its early days was to provide a capability for covert communications. It was not until the early 1960's, when OMB decided that for reasons of economy there should be a world-wide governmental communications system and that CIA should run it, that the current staff communications system began to develop in size and sophistication. Although CIA's role is subject

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[redacted] if the criteria continue to be efficiency and economy, no change is likely in the near term.

To the point that it is marked and obvious, OC uses significantly

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[redacted] Doing more not only entails handling more traffic, but being more versatile--being able to operate a greater variety of equipment, including emergency equipment, and being able to maintain it. These capabilities are topped off with a dedication that often is lacking elsewhere, certainly if one can judge by willingness to put in

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extra time, to respond to call-ins during nights and weekends, and to ensure that incoming traffic is on customers' desks by the opening of the work day.

As we proceeded with this inspection, it struck us that there were three basic questions that were ever present in any consideration of staff communications. The first of these questions is an Agency or OC matter: whether or not, as satellite systems improve in reliability, we should maintain a world-wide HF backup system, particularly in light of its requirements for manpower. The second question is government-wide in scope: whether or not, as more elements of the government have more involvement in foreign areas and an increased need for secure communications with Washington, the present [redacted] is the solution for the last 20 years of this century. The third question also is government-wide and has implications for the whole system: whether or not the ever increasing volume of traffic is justified.

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The answer to the first question is a matter of policy with regard to the needs of this Agency and the rest of the government for communications services. Unless one is willing to sacrifice reliable and timely communications, there is no alternative to maintaining an HF capability. In some parts of the world, because of local law or policy, we cannot and are not likely to be able to use satellite communications. More basic, though, is that today's satellites are

not completely reliable and even with substantial backup in orbit (which does not exist now) they will still be vulnerable to enemy interference. HF equipment has had to be used often enough--where satellite facilities are available--to make clear that it will be necessary for some time to come if our standards remain the same.

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We note that a significant number of the communicators accept the idea of a federal communications agency, with the proviso that it be run by professionals--that is, themselves. The idea of the function

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The third question clearly has implications for the size and cost of the communications effort. We raise this question because we do not understand why traffic must ever increase in volume--particularly in the current period of sharpened priorities and fewer resources. OC understandably takes pride in keeping up with the volume, but because of it probably will not achieve all of the reductions in personnel that have been forecast with the introduction of automated field terminals.

As an adjunct to this question of volume, we note the reported abuse of precedence and of after-hours use of the facilities. The reports involve both Agency and non-Agency users. There are enough legitimate demands on OC without unnecessarily making work and increasing costs. Certainly the abuse by Agency personnel can be sharply reduced and effort should be made with regard to others. A joint effort by the DO and DC will be necessary.

B. Covert Communications

The recent decision by the EAG to give DS&T/OTS responsibility for support of covert communications indicates dissatisfaction

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with OC's handling of it. This decision will not affect OC's doing the actual transmitting and receiving to and from agents, but ultimately will mean no longer providing these people with their communications equipment, training them in its use, and maintaining it. The transfer of what were OC's facilities and staff for applications engineering and production has already occurred. In a sense this transfer completes the change begun in 1973 when all R&D for covert communications was given to DS&T.

We found no dissatisfaction with the way OC does the transmitting and receiving of covert communications. Generally, it is graded as well in this area as it is for staff communications. With regard to support of covert communications, there are still some who sing OC's praises. Others, as already noted, obviously think otherwise. We note in passing that the loss of these functions has had an adverse effect on morale: employees are concerned that it is a forerunner of additional dissolution; are disappointed that an interesting aspect of their work has been taken from them (leaving them with the "Western Union" work); and believe that with the transfer of a significant percentage of their GS-11, 12 and 13 slots to OTS there will be even fewer opportunities for advancement and for home assignments.

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C. Support

The transmission and receipt of staff and covert traffic are the reasons for OC. To produce these services OC engages in numerous other activities--the technical activities of engineering and maintenance, communications security, processing and dissemination, and training. Communications security is a subject in its own right and is treated in Section VI. Processing and dissemination are the responsibility of the Cable Secretariat, which we discussed in Section III. Here we briefly examine engineering, maintenance, and training.

1. Engineering

OC's engineers are tasked with the design, acquisition, and maintenance of a modern, world-wide communications system--one that is expected to stay abreast of the state-of-the-art.

If the current staff system, and the way it compares favorably with others, is any indication, they have been and are continuing to do their job well. Any criticisms that may have reflected on the engineering effort have focused on covert communications. With the transfer of R&D for covert communications in 1973 and the recent decision by the EAG, performance in this role has become academic.

2. Maintenance

Maintenance is supervised by the engineers, performed by the technicians and communicators, and supported by logistics.

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The engineers and technicians work primarily out of the area headquarters and base stations and out of the Washington, D.C. area. They are responsible for new installations, major overhauls and modifications, and any maintenance beyond the routine. Routine maintenance is performed by the communicators (but not by cryptographers). It might be noted that routine maintenance, because of restricted access to the communications facilities, also includes housekeeping, carpentry, and just about anything that needs doing--not just upkeep of communications equipment.

Although there are occasional complaints of slow response in sending assistance or parts, we found no instance of communications ever being down for such reasons. By and large the logistics system, particularly with regard to communications equipment, works well. Several times we were told that support

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[redacted] is slow unless a cable is sent and a date, by which the parts or supplies are needed, is specified. There seemed to be reluctance to send cables for routine resupply. A few, to overcome this problem, over-ordered in anticipation of future needs. By and large, though, these problems--where they exist--are minor and their solutions would seem to require only some better coordination.

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3. Training

The heart of OC's training effort is [redacted]

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[redacted] Without having any professional educators on the staff, [redacted] has achieved and maintains a high level of professionalism. It is unique in the comprehensiveness of the skills taught. Courses are carefully planned and tested before inclusion in the curriculum. When offered they are critiqued by the students and evaluated by the staff. There seems to be little doubt that [redacted] turns out the best communicators, bar none. So much so, we are told, that they are attractive to other employers, which drives up the attrition rate. Thus, it behooves management, even more, to resolve the personnel and personnel-related problems.

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D. Recommendations

OC's task with regard to effectiveness is to continue to do as well as it has been doing. In this section, but more so in the preceding sections, we have noted problems that we believe will have an impact on future performance -- unless offsetting actions are taken.

To deal with this situation, and with what we suspect is sometimes less than desired decisiveness, we believe that OC must look to the future in an organized and disciplined way (and thereby show the way to the rest of the Agency). The small long-range planning element created in January of this year is meant to be the vehicle for doing so. Nevertheless, the task still lies in front of OC; therefore, we recommend:

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Recommendation 7: that the Director of Communications ensure that the planning nucleus he established in January 1977 (a) brings together the disparate, and now largely technical, planning elements of OC and (b) performs long-range planning that will be comprehensive, and will look ahead to the kind of organization the Office should have in the future and to the steps necessary to achieve that organization.

Recommendation 8: that the Director of Communications and the Deputy Director for Operations jointly remind users that communications are not free and, therefore, are to be used (a) only when necessary and in as brief a form as possible; (b) with appropriate, not overstated, precedence; and (c) during normal working hours, except for good cause.

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V. Compliance and Privacy

A. U.S. Law and Propriety

We neither identified, nor were advised of, violations of U.S. laws, regulations, executive orders, or standards of propriety.

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B. Privacy

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VI. Communications Security

OC, not the Office of Security, is responsible for communications security (COMSEC). It has Agency-wide responsibilities but, as sometimes happens, without corresponding authority. In an earlier time, before the widespread use of electronic equipment, responsibilities were focused on communications equipment as traditionally and narrowly defined--hence were largely intra-OC. Today there is hardly a component that does not use equipment that could or should be of concern.

The COMSEC staff procures, distributes, and accounts for the Agency's cryptographic keying material

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it often finds itself handling physical and personal

security matters as well and, for these same reasons, it has been made responsible for ensuring its own compliance with the Agency's safety program. Naturally enough, it also represents the Agency on government

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bodies concerned with COMSEC.

[Redacted]

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All [redacted] inspections are done by personnel from headquarters.

With the limited staffing available for this work (about 15) and with the large number of industrial facilities that also need to be inspected, their schedule permits an inspection about once in [redacted]

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All told the COMSEC staff has about [redacted] of whom are in the headquarters area, and has an FY 1977 budget of some [redacted] million exclusive of personnel costs.

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A. The Threat

The world of the COMSEC officer holds many threats. Technical penetration of machines is only the first. Anything that processes classified material--typewriters, dictaphones, duplicators, computer terminals, privacy radio devices, and the like--may radiate emanations that can be intercepted. One model of a typewriter may be found clean; later models may include slight engineering modifications that render it vulnerable. A piece of equipment, secure in itself, may amplify its signal significantly when someone puts his hand on it. Even

[redacted]

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Improvements in technology may themselves produce threats--as in the case of miniaturization that puts all of the cryptology on a single chip, thereby increasing concern for contractor security and raising questions, for example, about what is done with the rejects.

If an agent's radio transmission interferes with his neighbor's TV reception, the ensuing investigation may terminate his usefulness. This has happened in [redacted] underscoring a different threat--that of electromagnetic interference (EMI).

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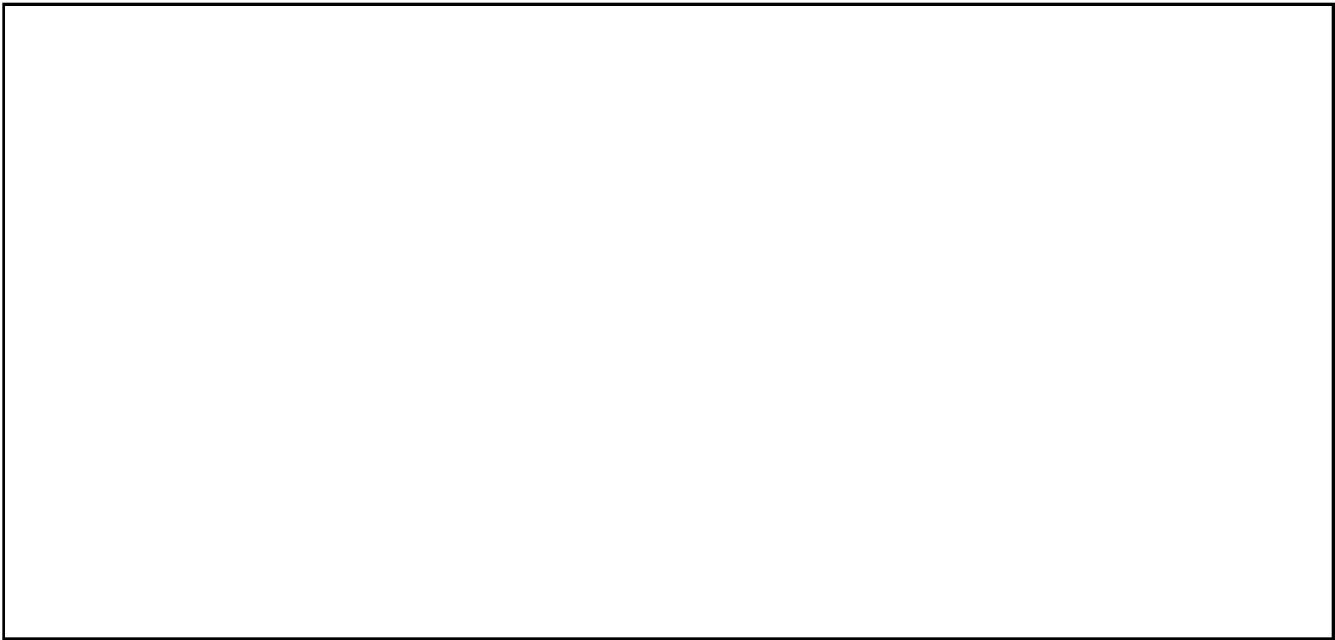
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C. Regulations

The mission of the Director of Communications includes "advising on all communications security (COMSEC), technical, and operational matters pertaining to electronic communications that have a bearing on those aspects of the security of the United States for which the Agency is responsible."

The DC's functions include "establish and implement the Agency's Emanations Security Program for telecommunications equipment and all other electronic and electromechanical equipment which is used to process classified information. This program will include coordinating policy, establishing standards, testing, designing countermeasures, making technical inspections of Agency installations, and recommending for approval the procurement or lease of all such

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processing equipment."

OC probably is best able to carry out these functions within the Directorate of Administration; there, for example, the procurement of commercially available word-processing equipment and computers requires COMSEC approval. However, in the case of items not commercially available--where research, development, and new systems are involved--there is less certainty of COMSEC involvement and some procurement does proceed without any COMSEC consultation. Assignment of COMSEC officers to some DS&T offices mitigates the problem in that Directorate, but does not guarantee that requests for proposals (RFPs) or unsolicited proposals will be acted on with COMSEC consideration.

We believe the regulations, and the procedures developed pursuant to regulations, may not adequately set formal responsibility and accountability in the COMSEC area. Lack of provision for the EMI threat is one example. Another is lack of provision for COMSEC involvement at an early enough stage in programming, planning, and budgeting to ensure proper consideration of it. A complicating factor, in view of the COMSEC Staff, is the irresolution of the regulations quoted above. "[E]stablish and implement the Agency's Emanations Security Program" appears a straightforward charge to the DC, but it occurs under the umbrella of a mission statement that limits his COMSEC role to "advising." The result, particularly in COMSEC approaches to Directorates outside the Directorate of Administration,

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is diffidence and reliance upon personal negotiation and accommodation.

D. Recommendations

We are not advocating control through detailed regulation, but conscious decision as to policy and procedure. The transfer of Covert Engineering Divison from OC and of [redacted] from DO to D/S&T, both 1977 actions, makes it an appropriate time to underscore the responsibilities of the COMSEC Staff. As a general principle, we endorse its involvement not only in procurement, but also at an early stage in the development of electronic equipment that processes classified information. We understand that OC has considered proposing regulations along some of these lines. It is also our view that such measures should be amplified by a program of headquarters and field education to ensure full awareness within the Agency of COMSEC responsibility and of the threats to communications security. Although such awareness seems widespread within OC and the DO, as a result of specific training programs, we judge the Agency as a whole to be relatively uneducated. The generally recognized cavalier use of black telephone lines, and the use of red lines as if they were cryptographically secure, need only be cited in evidence.

We recognize that the present COMSEC Staff might have to be considerably larger if it were to take on such added responsibilities. Thus, the importance attached to the threat is of primary consideration and must be determined.* Accordingly, we recommend:

* An internal decision in July 1977 to make the DDI the focal point for threat information could provide the data base necessary to determine the significance of the threat.

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Recommendation 9: that the Director of Communications, in consultation with the Deputy Director for Intelligence, the Deputy Director for Operations, and the Deputy Director for Science and Technology (a) define the communications security (COMSEC) threat and establish its significance to the intelligence effort; and (b) then develop procedures to take COMSEC considerations into early account in the planning, development, and procurement of Agency equipment and, as necessary to ensure that this is done, propose modifications in regulations.

Recommendation 10: that the Director of Communications develop a plan and program of communications security education to reach the general population of the Agency, both those entering on duty and those on board, and that this program be implemented through the Director of Training.

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VIII. Management Philosophy

OC's management is centralized. The [redacted] headquarters do not represent the decentralization their existence might suggest. They are too closely tied to Headquarters by good, rapid, and essentially free communications. 25X1

We have no quarrel with the degree of centralization; centralized and decentralized structures can and do work. But given the duplication of facilities and capabilities between Headquarters and the area headquarters, we question whether both need to be as large as they are. One or the other would seem to lend itself to some reduction.

OC's top management states that it is decentralized. We believe that it wants the advantages of decentralization, but has a strong reflex of managerial control that holds the reins on area headquarters. Duplication of activities by Headquarters and area headquarters reinforces this disposition because the senior partner tends to be looked to for the decisions.

As we have already noted, many employees consider OC's management to be impersonal and disinterested. Although management style and personality are factors, the size and far-flung nature of the organization contribute significantly. Large organizations invariably find it more difficult to be responsive to employees than do smaller ones.

We emphasize, whether management is centralized or decentralized, that we believe area headquarters have their place--they serve as a

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training ground for managers, provide backup and resources in times of crisis, and are regional centers for logistics, repair, security, and other matters. Nevertheless, there is that redundancy with Headquarters. We are inclined to suggest that Headquarters play the role of a corporate headquarters, making policy and establishing guidelines, and that area headquarters have more opportunity to act as semi-autonomous corporate divisions.

Accordingly, we urge OC to examine its management philosophy (and possibly its structure). We have in mind that with more autonomy area chiefs might have the authority to promote (which would elevate the PCEL and eliminate the CCEL),* would be able to resolve more problems in the field, would be able to meet periodically among themselves, and would be consulted by Headquarters about significant decisions.

*The PCEL, or preliminary competitive evaluation list, is prepared by the areas, among others, and is an input to the CCEL or consolidated (worldwide) competitive evaluation list.

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SUBJECT: (Optional)

Inspection Report on the Office of Communications

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Inspector General
2E24 HQS

EXTENSION

NO.

DATE

23 SEP 1977

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File DFM 2-1

TO: (Officer designation, room number, and building)

DATE

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COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)

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Michael J. Malanick
Acting Deputy Director
for Administration
27 SEP 1977

ADDA/MJMalanick:1m (27 Sept 1977)

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Orig RS - D/OC w/cy DDA 77-5300
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DDA 77-5300, Memo for DCI from IG,
dated 23 Sept 1977, Subject:
Inspection Report on the Office of
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